

**UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA**

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Rand Corporation,

Plaintiff,

v.

Civil Action No. 07cv510 (ADM/JSM)

Yer Song Moua; Manisy Moua; and  
John Doe and Mary Rowe,

Defendants.

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**AFFIDAVIT OF JUDI LAWRENCE**

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Judi Lawrence, an employee of Rand Corporation, being first duly sworn on oath, states and alleges as follows:

1. I have been an employee of Rand Corporation for the past 7 years, and have personal knowledge of the business records of Rand Corporation, including the preparation of loan documents relevant in this case.
2. The minor misstatement of the interest rates for the mortgage in the TILA disclosures provided to the Mouas was a clerical error and unintentional. The net effect of the overstatement of the APR was to suggest that the mortgage loan was .65% (2/3 of 1%) more expensive than the mortgage loan really was. In other words, the Mouas chose to accept the mortgage loan on the terms as stated in the TILA and HOEPA disclosures, but the true cost of the loan was lower and could not possibly have harmed or prejudiced them in any way.

3. On or about January 5, 2005, and again on the date of closing, April 22, 2005, I was personally involved in preparing the required disclosures, and amended disclosures, pursuant to the Federal lending statutes, the Truth in Lending Act ("TILA") and Home Ownership and

Equity Protection Act ("HOEPA"). The only change in the mortgage loan terms from the initial disclosures first given on January 5, 2005, was to increase the loan amount from \$198,800.00 to \$245,000.00 based on the additional borrowing needs of the Mouas. Thus, the Mouas had several months to consider the mortgage loan terms, shop rates, and close on their separate commercial building prior to choosing to go forward with the April 22, 2005 closing.

4. Neither Albert Miller, the president of Rand Corporation, nor myself were present at the closing, since Excel Title was hired by the parties to conduct the closing, ensure proper signatures of all parties, record documents and disburse closing proceeds.

5. The Notice of Right to Cancel forms attached to the Complaint are the accurate copies of the rescission disclosure forms that Excel Title was required to have the Mouas execute on the day of closing. Excel Title was also provided with additional Notice of Right to Cancel forms that were to be signed by the Mouas on the date of funding their mortgage loan. I have since been made aware that the rescission forms that were to be signed on the date of funding appear on their face to be signed on the date of closing, instead of after the end of their rescission rights. This is an error that can only be explained in one of two ways. Either the Mouas returned to Excel Title on April 27, 2005 to confirm in writing that they chose not to rescind (but mistakenly put the 4-22-05 date on form), or without any authorization from Rand, the Excel Title closer must have asked the Mouas to sign the forms twice on the date of closing. If the Excel Title closer did ask the Mouas to sign twice on the date of closing, that's an issue between the Mouas and Excel Title, and certainly did not cause the Mouas to lose their rescission rights with Rand. Rand respected their rescission rights, and would not have allowed Excel Title to disburse the closing funds before April 27, 2005.

6. In fact, the closer with Excel Title did not make any disbursements of the loan closing proceeds until after the expiration of the three day rescission period. The Notice of Right to Cancel accurately stated that the Mouas were entitled to cancel the transaction by MIDNIGHT on APRIL 26, 2005. Excel Title's disbursement checks were all dated and sent out on April 27, 2005. Accurate copies of the closing checks evidencing such disbursements are attached to this Affidavit as Exhibit 1.

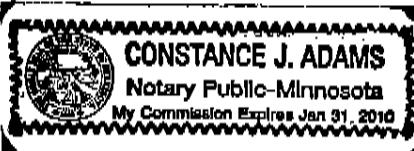
7. It is clear that the Mouas did not cancel the transaction with Rand on or before April 26, 2005, and instead allowed their three-day rescission rights to expire. The loan was then funded after they chose not to rescind.

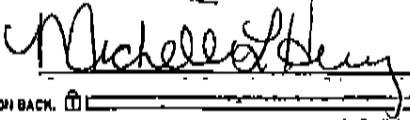
Dated: March 16, 2007

By: Judi Lawrence  
Judi Lawrence

Subscribed and sworn before me  
this 16 day of March, 2007.

Constance J. Adams  
Notary Public



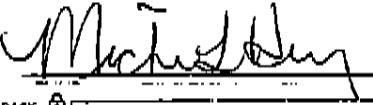
EXCEL TITLE, LLC ESCROW ACCOUNT 7701 FRANCE AVE. S., STE. 100 EDINA, MN 55435 PH. 652-841-0000		ASSOCIATED BANK MINNESOTA	65488
		17-127/910	
			EX-37612
		Pay on Account	
-Four Thousand Eight Hundred Twenty Nine and 00/100 -		Dollars	
		DATE	AMOUNT
		April 27, 2005	\$ ****4,829.00
<b>PAY</b> <b>TO THE</b> <b>ORDER</b> Chase <b>OF</b>			
			
<small>SECURITY FEATURES INCLUDED. DETAILS ON BACK.</small>			
#065488# 10910012701C 2283 033 385# #000004829000#			


Yer S. Mays M. S. Mays
454256-936 65/25/2005 Associated Bank TCF NATIONAL BANK MN 291070001< 016282831 05-02-05 23 001J815708 016282832 05-02-05 23 001J815708
454256-936 65/25/2005 Associated Bank TCF NATIONAL BANK MN 291070001< 016282831 05-02-05 23 001J815708 016282832 05-02-05 23 001J815708

Account:2283033385 Date:05-03-2005 Amount:\$4,829.00 Serial:65488

EXHIBIT

Tables

EXCEL TITLE, LLC ESCROW ACCOUNT 7701 FRANCE AVE. S., STE. 100 EDINA, MN 55435 PH. 652-841-0000		ASSOCIATED BANK MINNESOTA	65491
		17-127/910	EX-37612
		Payoff on 2nd	
-Forty Seven Thousand Four Hundred Eleven and 13/100		DATE	Dollars
		April 27, 2005	AMOUNT
		\$ ****47,411.13	
<b>PAY</b> <b>TO THE</b> <b>ORDER</b> <b>OF</b> MGIC Credit Assurance Corporation L#124070			
			
<small>① SECURITY FEATURES INCLUDED. DETAILS ON BACK. ②</small> <b>065491 10910012701 2283 033 385 0004741113</b>			

0203720250	05/04/2005	Associated Bank	FOR DEPOSIT ONLY
Clearing	9333 KmPREACC		ESCCREDIT ASSOC
			12-22-04
99300022 05042005 5772	72269 195 98 8 4502005		PAY TO Fidelity M
S/T 101 10 99 PKT 22	05/04/2005 10 00 00 00 00 00		FOR DEPOSIT ONLY
ACCT 96023101150495	72269 195 98 8 4502005		ESCCREDIT ASSOC
<b>71441064419 0717501498</b>			

Account:2283033385 Date:05-04-2005 Amount:\$47,411.13 Serial:65491

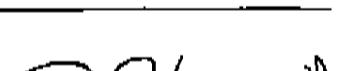
4/26/05  
ALL INFORMATION ON THIS DOCUMENT HAS A COLORED BACK GROUND ON WHITE PAPER

EXCEL TITLE, LLC ESCROW ACCOUNT 7701 FRANCE AVE. S., STE. 100 EDINA, MN 55435 PH. 652-641-0000	ASSOCIATED BANK MINNESOTA	65492
	17-127/010	EX-37812
Pay on Account One Thousand Four Hundred Eight and 69/100		Dollars
		DATE
		April 27, 2005
		AMOUNT
		\$ *****1,408.69
<b>PAY</b> <b>TO THE</b> <b>ORDER</b> <b>OF</b> Minnesota Dept. of Revenue		
<i>ft 5273331</i> <i>Michelle Sherry</i>		
<input checked="" type="checkbox"/> SECURITY FEATURES INCLUDED. DETAILS ON BACK. <input type="checkbox"/>		
#065492# 40910012701 2283 033 385# #0000140869#		

62626421612 65492# 2283 Associated Bank

7244445605

Account:2283033385 Date:05-03-2005 Amount:\$1,408.69 Serial:65492

		\$ SECURITY FEATURES INCLUDED. DETAILS ON BACK \$	
<b>CASHIER'S CHECK</b>			
REMITTER	EXCELS TITLE	DATE	205994
		04/27/2003	17-127 910
Two Hundred Twenty Two Thousand One Hundred Nineteen Dollars and 30 cents			
PAID TO THE	RAMSEY COUNTY PROPERTY	\$	222.119.30***
ORDER OF			
 <u>Associated Bank</u> Minnesota			
#205994 109-1001-2701 2280045.19.20		#0022261930	

<input checked="" type="checkbox"/> <b>TO ORDER</b> <input type="checkbox"/> <b>TO PAY</b>	
<b>FOR DEPOSIT ONLY</b>	
<b>US BANK</b>	
<b>MINNEAPOLIS, MN 55402</b>	
<b>DEPARTMENT</b>	
<b>ESCAPE ACCOUNT</b>	
<b>DO NOT WRITE ON THE BACK OF THIS LINE</b>	
<b>DEPOSITOR BANK ENDORSEMENT</b>	
<b>104493221</b>	
<b>TE918 104 56 22 04292005</b>	
<b>64173101206061 US BANK</b>	
<b>1401000224, ST. PAUL, MN</b>	
<b>00000000000000000000000000000000</b>	

Account:2280045192 Date:05-02-2005 Amount:\$222,119.30 Serial:205994